

DRAFT

**Trial Court Budget Commission
Meeting Minutes
June 23, 2020
Zoom Webinar**



Attendance – Members Present

The Honorable Margaret Steinbeck, Chair
The Honorable Mark Mahon, Vice Chair
The Honorable Kimberly Bonner
The Honorable Monica Brasington
The Honorable Angela Cowden
Ms. Holly Elomina
The Honorable Ronald Ficarrotta
The Honorable Robert Hillard
The Honorable Stephen Jewett
Ms. Gina Justice
The Honorable Glenn Kelley
The Honorable Kelly McKibben

Mr. Jonathan Lin
The Honorable Diana Moreland
The Honorable Donald Myers
The Honorable Greg Parker
Ms. Kathleen Pugh
The Honorable Kathleen Roberts
The Honorable Anthony Rondolino
Mr. Grant Slayden
The Honorable Elijah Smiley
The Honorable Bertilla Soto
The Honorable John Stargel
Mr. Mark Weinberg

Attendance – Members Absent

Special Note: It is recommended these minutes be used in conjunction with the meeting materials.

Chair Steinbeck called the Trial Court Budget Commission (TCBC) meeting to order at 9:00 a.m. and reminded members that the meeting was being recorded for administrative accuracy. A quorum was present.

Chair Steinbeck welcomed the members to the meeting. She also welcomed Clerk of Court J.D. Peacock and Clerk of Court Stacy Butterfield. In addition, Chair Steinbeck welcomed Judge McKibben to her first in-person meeting and acknowledged Judge Myer's appointment to the TCBC Executive Committee. Chair Steinbeck thanked Chief Justice Canady for re-appointing herself and Judge Mahon as chair and vice-chair of the TCBC.

Chair Steinbeck stated since the last in-person meeting, the TCBC has conducted two email votes delegating authority to the TCBC Executive Committee to make year-end decisions. Chair Steinbeck stated the Executive Committee continues to meet on a weekly basis to deploy resources to the trial courts on an emergent basis. She further noted, that over \$4.0 million has been allocated to the trial courts in response to emergency needs since the outset of the COVID-19 crisis.

Agenda Item I: Approval of Prior Meeting Minutes

Chair Steinbeck presented the draft November 13, 2019, December 18, 2019, January 31, 2020, and February 17, 2020, TCBC meeting minutes. Jonathan Lin noted a correction needed in the November 13, 2019, meeting minutes. Judge Mahon moved approval of the corrected minutes and Judge Stargel seconded the motion. The motion was approved unanimously.

Agenda Item II: FY 2019-20 Budget

A. Salary Budget

Sharon Bosley provided an overview of the FY 2019-20 General Revenue and State Courts Revenue Trust Fund (SCRTF) trial court salary budget as of May 2020, current lapse and vacancy trends, and prior TCBC decisions regarding salary management. Ms. Bosley noted the GR/SCRTF salary budget is under appropriation. Chair Steinbeck noted the trial court salary budget will begin FY 2020-21 with a larger deficit due to personnel decisions approved by the Commission as part of FY 2019-20 salary management.

Sharon Bosley continued to review the Administrative Trust Fund (ATF) and Federal Grants Trust Fund (FGTF) salary budgets.

B. Positions Vacant More Than 180 Days

Sharon Bosley presented the report on the number of positions vacant more than 180 days. Ms. Bosley noted these positions are monitored by the governor's office and the legislature for potential FTE reductions.

C. Operating Budgets

Sharon Bosley reviewed the operating budgets as of May 31, 2020. Ms. Bosley noted expenditures this fiscal year are on par with prior year expenditures for the same time period. Ms. Bosley further stated, as of May 31st, roughly 57% of funding for the problem-solving courts have been expended. Also noted, was the proposed re-appropriation of unspent FY 2019-20 problem-solving court funds as part of the unsigned FY 2020-21 General Appropriations Act.

Chair Steinbeck noted adjustments to the senior judge day allocations. She reported unobligated funds in support of senior judge days were able to be re-deployed to the year-end spending plan to address emergency COVID-19 needs.

D. Trust Fund Cash Balance

Kris Slayden provided an overview of estimated reductions to revenues remitted to the State Courts Revenue Trust Fund (SCRTF) due to impacts from the COVID-19 virus. Ms. Slayden reported an estimated loss of \$9.4 million in revenue through June 30, 2020 from the originally projected estimates in December 2019. She stated the Revenue Estimating Conference will be meeting again

on July 20, 2020, to examine and project updated estimates for the upcoming five fiscal years. Further, Ms. Slayden noted the available cash balance in the trust funds has made the loss in revenue sustainable but reminded the members that 97% of the authority in the trust funds goes to support salaries. Ms. Slayden also noted the \$4.0 million in new budget authority provided in the unsigned FY 2020-21 General Appropriations Act (GAA). If the additional budget authority is provided in the signed GAA, in addition to reduced revenues, the ending cash balance for FY 2020-21 could be significantly impacted.

E. Year-End Spending Plan

Sharon Bosley provided an overview of the year-end spending plan expenditures as of June 12, 2020. Ms. Bosley stated approximately 62% of allocated funds have been expended or encumbered.

Agenda Item III: FY 2020-21 Budget

A. Start-Up Salary Budget

Sharon Bosley provided an overview of the tentative FY 2020-21 start-up salary budget using data as of May 31st. She noted the projections will be revised once June data and appropriation amounts are available. Ms. Bosley further noted adjustments made to liabilities related to participants in DROP based on information provided by the circuits. Ms. Bosley reported the beginning deficit for the GR/SCRTF salary budget is \$1.6 million more than prior year. This is due to the additional rate distributed to the trial courts, pay plan adjustments over appropriated funds, and changes in social security contributions. Ms. Bosley stated the trial courts should be able to cover the projected deficit; however, the salary budget will need to be monitored carefully throughout the fiscal year.

Sharon Bosley provided a brief overview of the start-up salary budgets for the Administrative Trust Fund and the Federal Grants Trust Fund. Both trust funds are anticipated to be under appropriation by the end of the fiscal year.

B. Budget and Pay Administration Memorandum

Prior to discussion of the draft FY 2020-21 Budget and Pay Administration Memorandum, Kris Slayden summarized information from a memorandum released by Senator Galvano regarding the loss of state revenues due to the COVID-19 pandemic and the use of state reserves to mitigate impacts to the state budget.

Chair Steinbeck reported, due to the potential for budget reductions, the TCBC Executive Committee is recommending implementing a hiring freeze with the beginning of FY 2020-21 and including language outlining the implementation of the freeze in the budget and pay memorandum. The hiring freeze is intended to reduce the salary budget while minimizing the impacts on current employees. Chair Steinbeck noted the Executive Committee proposes all trial court administrator positions, IT related positions, court interpreting positions, and all positions funded from the

Administrative Trust Fund and the Federal Grants Trust Fund be exempt from the proposed hiring freeze. Judicial Assistant positions would be held vacant for 30 days prior to hiring a new employee into the position. Judge Soto moved approval of including language supporting a hiring freeze in the FY 2020-21 budget and pay memorandum. Judge Brassington seconded the motion. The motion was passed.

Kelsey Harper shared proposed language to be included in the memorandum. Judge Soto moved approval of the proposed language. Grant Slayden seconded, and the motion passed.

Eric Maclure presented the Budget and Pay Memorandum updated to reflect proposed changes for FY 2020-21. Mr. Maclure noted the majority of the changes are technical or clarifying in nature. Mr. Maclure then reported two substantive changes to the memorandum. The first change allows for the annual year-end spending plan to be conducted administratively. The second change includes setting parameters related to travel during the COVID-19 pandemic.

Eric Maclure acknowledged proposed recommendations provided by the trial court administrators. He noted the proposed changes are both technical and substantive in nature and were developed prior to the COVID-19 pandemic. Proposed changes include allowing greater flexibility to be given to the circuits in relation to salary budget management and revising travel provisions with regards to attendance at educational programs. Mr. Maclure recognized circumstances have changed since the development of these recommendations. Many of the proposed changes may have fiscal impacts in opposition with decisions the Commission have made today regarding salary management. Last, Mr. Maclure mentioned OSCA staff are reviewing the travel language in the budget and pay memorandum and would like to revise the language to conform with the implementation of the statewide travel management system.

Judge Myers moved to approve the proposed language for the FY 2020-21 Budget and Pay Memorandum, excluding the changes proposed by the trial court administrators. Grant Slayden seconded, and the motion passed.

Chair Steinbeck addressed the recommendations proposed by the trial court administrators. She indicated she would like to be given authority to create a workgroup composed of trial court administrators, judges, and non-TCBC members to further examine the recommendations for future incorporation into the budget and pay memorandum. Judge Soto moved Chair Steinbeck be given the authority to create a workgroup. Judge Brassington seconded, and the motion passed.

C. Allocations

1. Continuation Base Budget Allocations

Kris Slayden presented the FY 2020-21 base budget allocations based on a continuation of the FY 2019-20 budget. Ms. Slayden noted any changes in the proposed allocations are the result of personnel actions and permanent budget amendments that were approved in FY 2019-20.

2. Child Support Enforcement Hearing Officers and General Magistrates

Kris Slayden provided an overview of the funding methodology for reallocating vacant hearing officer and magistrate positions. She noted the uncertainty of factors impacting the FY 2020-21 budget and the TCBC's prior approval of a continuation of the FY 2019-20 budget. Based on this information, Judge Kelly moved to place a moratorium on the reallocation of general magistrates, child support enforcement hearing officers, and administrative support positions. Judge Smiley seconded, and the motion passed.

3. Statewide Allocations

Sharon Bosley presented the proposed allotments for statewide managed cost centers. She stated the allocations are based on the continuation of the FY 2019-20 budget with technical changes incorporated into the proposals. Ms. Bosley noted, beginning FY 2020-21, the threshold amounts required for the use of OCO funds have increased from \$1,000 to \$5,000. Based on guidelines from the state's Chief Financial Officer, allocations for Expense and OCO funding may need to be realigned to reflect needs under the new threshold amounts.

Lindsay Hafford provided a status update of the Online Dispute Resolution pilot. Ms. Hafford provided an overview of the funding allocated to the pilot in FY 2019-20 and the expenditures made in support of the project. She requested the remaining unspent funds from the FY 2019-20 allotment be reallocated for the continued implementation of the pilot in FY 2020-21. Judge Soto moved approval. Judge Parker seconded, and the motion passed unanimously.

Judge Ficarrota moved approval of the statewide allocations. Grant Slayden seconded, and the motion was passed.

4. Problem-Solving Court Appropriation

Jessie McMillan presented the FY 2020-21 allocations for problem-solving court funds based on the continuation of the FY 2019-20 base allocations and the FY 2020-21 appropriation as proposed in the unsigned General Appropriations Act. She noted any difference in base allocation amounts and the appropriated amount will be placed into the statewide reserve.

Ms. McMillan reviewed the TCBC prior decision regarding short-term and long-term funding plans for the problem-solving courts including guidance on non-recurring allocations. Based on the FY 2020-21 allotments and the potential need for circuits to revise their program budgets, questions have arisen as to whether circuits should be allowed the flexibility to transfer unobligated funds among problem-solving court programs both within their circuits and to other circuits. Ms. McMillan noted the transferring of funds will not be used to create new problem-solving courts, the transfers would not impact specific funds within the proviso language in the GAA, and any transfers will be on a non-recurring basis. Judge Smiley moved approval of Option 1. Judge Soto seconded, and the motion carried unanimously.

5. Allocations for Other Special Appropriations

Sharon Bosley presented the allocations for recurring special appropriations such as the Domestic Violence Active Global Positioning Satellite Technology and Vivitrol/Naltrexone to Treat Alcohol- or Opioid-Addicted Offenders. These materials are presented for informational purposes only.

6. New Resources

Kris Slayden reviewed the Executive Committee's May 12th decision not to begin the process of allocating newly appropriated resources until additional information regarding the FY 2020-21 budget was available. As of today, it is unknown the status of the FY 2020-21 General Appropriations Act as the governor has not yet signed the legislation into law. Chair Steinbeck provided an overview of the discussions the Executive Committee have had with regards to the potential new resources. She noted the unknown factors surrounding the General Appropriations Act and impacts to the trust fund cash balance. Chair Steinbeck stated it is the recommendation of the Executive Committee to not allocate any new resources at this time. Judge Mahon moved for the potential new resources to not be allocated and to hold at the statewide level until more information about the FY 2020-21 budget is known. Judge Soto seconded, and the motion was approved.

Agenda Item IV: FY 2021-2022 Legislative Budget Request (LBR)

A. LBR Timeline

Chair Steinbeck provided an overview of the legislative budget request process for the Trial Court Budget Commission.

B. Issues for Consideration at August TCBC Meeting

Chair Steinbeck presented issues the Executive Committee reviewed and discussed for consideration as part of the trial court budget request for FY 2021-21. The issues included developing a backlog reduction plan to address anticipated backlog of cases that may develop as a result of impacts from the COVID-19 pandemic, continuation of the remote alternative dispute resolution pilot, and recommendations from the Workgroup on the Continuity of Court Operations and Proceedings (Continuity Workgroup). Judge Soto moved to approve reviewing budget requests in support of the Continuity Workgroup's suggestions with reference to personal protective equipment, resources to aid in case management of backlogged cases, and online dispute resolution. Judge Mahon expressed concerns regarding the unknown factors surrounding FY 2020-21 appropriated resources and difficulties defining additional resource needs. Judge Steinbeck asked if the motion could be modified to adjust the request based on new resources received once the GAA has been signed into law. Judge Soto stated she would amend her motion. Judge Mahon seconded, and the motion was approved.

Agenda Item V: Report from Chief Justice Designee to Florida Clerks of Court Operations Corporation Executive Council

Judge Ficarrotta stated the Clerks of Court are going through a similar process as the trial courts in recovering from the impacts of the COVID-19 pandemic as well as preparing for future challenges. He noted the clerks of court state funded budgets are heavily dependent on court related fines, fees, and service charges, much of which have been reduced due to the pandemic. Judge Ficarrotta stated Chief Justice Canady has sent a letter to Governor DeSantis encouraging the exploration of solutions for the clerks of court current year budget deficit. Judge Ficarrotta further stated impacts to the clerks' budgets and operations will have also impact court functions as well as the surrounding communities. He then recognized Clerk Stacy Butterfield and Clerk J.D. Peacock.

Agenda Item VI: Report from Clerks of Court Representative

Clerk Stacy Butterfield provided an overview of the clerks of court state funding model and the impacts to the clerks of court revenues as a result of the COVID-19 pandemic. She noted of the revenues retained by the clerks, 90-93% are used to support salaries. Clerk Butterfield stated cost containment measures and expense reduction practices such as hiring freezes have been discussed and implemented. The goal is to reduce expenses while still trying to maintain essential court services, public safety, and provide increased customer service to the community through process and workload changes. Clerk Butterfield shared anticipated challenges such as projected backload of cases, technology, and safety challenges. She noted without a solid funding component at the state level, it will not be possible to fully address these challenges. Clerk Butterfield stated funding and budget cuts will begin July 1st to coincide with the last three months of the clerks of court fiscal year and noted the clerks of court are not authorized to maintain reserve funding nor are they authorized to request a loan from the governor.

Clerk J.D. Peacock expressed appreciation for the partnership of the clerks of court with the courts and the recognition of the clerks needs during the pandemic. He noted if the clerks sustain a significant impact to their fourth quarter revenues, it will significantly impact the courts' workload and will provide a strain to both the clerks and the courts.

Jason Welty, Budget and Communications Director for the Florida Clerks of Court Operations Corporation (CCOC), provided an overview of the projected revenue loses and cost reductions for the clerks of court. He reported revenue collections are estimated to be \$59 – 60 million below original projected estimates. Mr. Welty noted the CCOC continues to have discussions with the governor's office regarding potential relief to the budget impacts.

Agenda Item VII: Coronavirus 2019

A. Tracking COVID-19 Expenditures and Federal CARES Act Funding

Kris Slayden reported the state received \$4.6 billion in funds from the Federal CARES Act while the counties received \$3.7 billion. Ms. Slayden stated the trial courts are carefully tracking and reporting COVID-19 expenditures for possible reimbursement. It is noted the courts did not receive any earmarked money from the CARES Act. Ms. Slayden stated the trial courts have been funding technology and personal protection equipment needs using state funds. In the past, these types of purchased were required to be funded through county means.

B. Workgroup on the Continuity of Court Operations and Proceedings During and After COVID-19

Eric Maclure provided an update on the activities and recommendations of the Workgroup on the Continuity of Court Operations and Proceedings During and After COVID-19. Mr. Maclure noted potential resource implications including resources for personal protection equipment and technology to support remote working and proceedings.

C. COVID-19 Backlog Impact Plan

Kris Slayden reported additional information will be provided to the commission at the August 6, 2020, meeting.

Agenda Item VIII: Other Business

There are no issues to report.

Adjournment

With no other business before the commission, the meeting adjourned at 11:30 a.m.